



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 24TH DAY OF APRIL, 2026

BEFORE

THE HON'BLE MR. JUSTICE S SUNIL DUTT YADAV

WRIT PETITION NO. 7772 OF 2026 (T-RES)

BETWEEN:

M/S. SUMUKHA VENTURES
NO. 319/D, 5TH BLOCK,
9TH C MAIN ROAD,
JAYANAGAR,
BENGALURU - 560011.
REPRESENTED BY ITS PARTNER,
SHRI. ARJUN VASU.

...PETITIONER

(BY SRI. LOCHANA S. BABU., ADVOCATE)

AND:

1. THE JOINT COMMISSIONER OF
COMMERCIAL TAXES (ADMN.),
DGSTO 3, 2ND FLOOR,
TTMC-BMTC COMPLEX,
SHANTHI NAGAR,
BENGALURU - 560027.
2. THE DEPUTY COMMISSIONER OF COMMERCIAL
TAXES, (AUDIT)-3.7,
ROOM NO. 228, 2ND FLOOR,
TTMC-BMTC COMPLEX,
SHANTHI NAGAR,
BENGALURU - 560027.





3. THE ADDITIONAL COMMISSIONER OF COMMERCIAL TAXES (ENF),
SOUTH ZONE, VANIJYA THERIGE KARYALAYA-2,
B BLOCK, 3RD FLOOR,
KORAMANGALA, BENGALURU - 560047.

4. THE COMMERCIAL TAX OFFICER (ENF)-44,
SOUTH ZONE, ROOM NO.106,
1ST FLOOR, V.T.K-2, 80FT ROAD,
NEAR NGV, RAJENDRANAGARA,
KORAMANGALA, BENGALURU - 560047.

...RESPONDENTS

(BY SRI. K. HEMAKUMAR, AGA)

THIS WP IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO QUASHING THE IMPUGNED SHOW CAUSE NOTICE DATED 30.09.2025 BEARING FILE NO. DGSTO-03/DC-3.7/SCN-01/ADJ-64/2024-25 ALONG WITH FORM GST DRC-01 DATED 30.09.2025 BEARING REFERENCE NO.ZD290925221988K ISSUED BY THE RESPONDENT NO. 2 (ANNEXURE - A) AND ETC.,

THIS PETITION, COMING ON FOR PRELIMINARY HEARING, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE S SUNIL DUTT YADAV



ORAL ORDER

The petitioner has called in question the validity of the Order-in-Original at Annexure-B. The petitioner has also challenged the validity of the show-cause notice dated 30.09.2025.

2. Learned counsel for the petitioner would submit that there were proceedings initiated by the audit authority as well as the enforcement authority. It is submitted that even otherwise the Order-in-Original at Annexure-B is passed by the same officer who has conducted the audit proceedings. It is submitted that such action is impermissible and being in violation of principles of natural justice, insofar as the authority while conducting audit has expressed its opinion and findings are recorded at one stage. It is submitted that once again if the same officer were to conduct the assessment proceedings, the authority would be guided by the findings made in the audit report.



3. It is further submitted that such procedure is not permissible under the assessment proceedings by the Central Authority in terms of Circular No.31/05/2018-GST dated 09.02.2018 at Annexure-AB as well as Circular No.169/01/2022-GST dated 12.03.2022 at Annexure-AC.

4. Learned Additional Government Advocate appearing for the respondents would submit that the petitioner has not raised such objection before the authority and hence, the point raised now ought to be relegated to be decided by the adjudicating authority.

5. Learned counsel for the petitioner on the other hand would submit that the adjudicating authority having been assigned with a case has no power to rule on jurisdiction as the same would overlap with the aspect of assignment by the Joint Commissioner.

6. Learned AGA submits that the circulars referred to by the petitioner relates to proceedings under the Central Authority and in the absence of any notification on



same lines, the State Authorities are not bound by such procedure.

7. Taking note that this identical question is often raised by assessees, it would be appropriate that this aspect has the benefit of adjudication by the appropriate authority. By keeping open all contentions raised, the matter is remitted to respondent No.2.

8. The petitioner to take their stand before respondent No.2, regarding the aspect of jurisdiction as raised in the present petition. Upon such objection being raised, it is open for the authority to obtain necessary orders on the administrative side from the authority which assigns i.e., the Joint Commissioner of Commercial Taxes (Administration) - respondent No.1.

9. Taking note of the nature of objection raised, the authority to record a finding of their aspect of jurisdiction as per the procedure referred to above and only thereafter, consider the proceedings on merits. All



contentions of the petitioner regarding such aspect of jurisdiction including as raised herein are kept open to be adjudicated.

10. Accordingly, the order at Annexure-B is set aside. Matter is remitted to be reconsidered in light of the observations made herein. Needless to state, no steps to be taken on merits till finding is recorded in terms of the observations made.

Accordingly, petition is ***disposed of***.

Sd/-
(S SUNIL DUTT YADAV)
JUDGE

MCR